Fidelity's Frequent Trading Policy

Fidelity maintains a Frequent Trading Policy in order to address excessive trading in mutual funds. Most mutual funds currently offered in the BP Plans subscribe to Fidelity's policy.

The following is a summary of Fidelity's Frequent Trading Policy. Please contact BP Retirement Services at Fidelity if you would like to obtain a complete description of the policy.

Fidelity, as recordkeeper, monitors the number of transactions greater than $1,000 per participant within a mutual fund and limits a participant's purchase activity in those funds in the event of noncompliance with the policy.

The policy limits participants' number of round trip transactions per fund. A round trip transaction occurs when a participant exchanges into and exchanges out of the same fund in a 30-day period.

- Two round trip transactions within any rolling 90-day period will restrict a participant from purchases within that fund for 85 days.
- Four round trip transactions within a rolling 12-month period — across all mutual funds participating in this policy — will restrict a participant to one Exchange in those mutual funds to only one day in each calendar quarter.

Certain transactions are excluded from Fidelity's Frequent Trading Policy. These transactions include fund mergers or fund mapping initiated by the plan sponsor and any transactions less than $1,000 (aggregated daily). Any participant already subject to pre-existing trading restrictions will not be subject to Fidelity's Frequent Trading Policy until the pre-existing restrictions expire.

Refer to the Mutual Fund Window matrices to see which funds subscribe to the policy as of April 30, 2008.

'Mutual Fund Window matrix by asset class and style,' ***page 38***

Short-term trading fees

Certain Core Investment Options and funds in the Mutual Fund Window impose a short-term trading fee for investments held for a shorter period than specified by the fund. Short-term trading fees are commonly imposed by funds if frequent trading by participants affects the ability of the fund to achieve its objective or otherwise operate efficiently.

When a purchase into one of these investment options (exchange-in, a contribution or a loan repayment) is made, the newly acquired units will be tracked as of the transaction date. If those units are sold (via an exchange-out, withdrawal, loan or distribution) within the time period specified by the investment option, a redemption fee will be assessed on the units being sold, leaving the net proceeds available to complete the transaction. When this fee applies, it will be charged directly to your plan account and is not reflected in the investment option's expense ratio.

For example: Fund A imposes a 2.00% redemption fee for units sold within 30 days of being purchased.

- As of January 1, 2008, you held 20 units in Fund A in your plan account.
- On March 30, 2008, you sell units in Fund B to purchase an additional 150 units of Fund A.
- On April 5, 2008, you sell (exchange-out) 120 units in Fund A to purchase (exchange-in) units of another plan investment option.

The 2.00% redemption fee would apply to 100 units, but would not apply to the 20 units you held for longer than 30 days. The value of the 100 units, assuming $10 per unit on the sale, is $1,000, resulting in a reduction of $20 from your proceeds. This $20 would remain in Fund A for the benefit of all participants in that investment option, and the $980 in net proceeds would be used to purchase units in the investment option you have selected to make a purchase.

Before investing, be sure to check the mutual fund's prospectus for information on these and other fund fees by contacting BP Retirement Services at Fidelity. For information regarding short-term trading fees, be sure to review the investment options' descriptions in this Guide and all future Updates.

Refer to the Mutual Fund Window matrices to see which funds impose short-term trading fees.
'Mutual Fund Window matrix by asset class and style,' ***page 38***

Investment fees and expenses

As part of understanding the investment options, it is important to know the cost of your investments since costs lower your investment's net return (investment results after fees and expenses are deducted). However, fees and expenses are only one of several factors that you should consider when making investment decisions.

Performance information shown in the QIPS (the most recent is enclosed in the back pocket of this Guide) is net of fees and expenses.

Some investment options are more expensive than other investment options because of the amount of work needed to manage the fund. Generally, foreign funds are more expensive than domestic funds; actively-managed funds are more expensive than passively managed funds; and mutual funds are more expensive than commingled funds. However, the level of fees is not indicative of better or worse performance.

Fees can be divided into three general categories: plan trust level fees, fund level fees and individual participant level fees.

Plan trust level fees

These types of fees generally include ongoing fees and expenses for running the plans such as fees and expenses for trustee services, custody and trading, bookkeeping, accounting, legal, participant recordkeeping, access to customer service representatives, on-line computer access and communications. Currently BP pays most of the plan trust level fees. However, the trust may be directly charged by the trustee for such things as costs, commissions, certain taxes, and other expenses associated with managing the trust. In addition, the trust pays some fees with income that is generated from legal settlements, from the trust's clearing account or from agreements with fund providers to reimburse the plan recordkeeper for direct administrative expenses. The plans also permit plan forfeitures to be used to pay reasonable plan expenses.

Fund level fees

These types of fees generally include fees and expenses for investment management services and other investment-related transaction costs of managing a particular investment option. Investment management fees are ongoing charges for managing the assets in the investment option and are included in the price of units or shares of an investment option — the investment option's net asset value (NAV). Transaction costs, including brokerage commissions, bid/ask spreads and other expenses associated with the trading of securities, are reflected in the price paid or received by the fund for the various securities. There may also be administrative fees such as legal, accounting, auditing and custody fees for the particular fund.

Target Date Funds and Core Investment Options fees

The Target Date Funds and Core Investment Options, other than the BP Stock Fund, Short-Term Investment Fund and the Income Fund, are institutional, commingled index funds. They are, therefore, structured so as to minimize the impact of management and other fees on their performance. The Target Date Funds and Core Investment Options are generally lower cost alternatives than the funds offered through the Mutual Fund Window.

Information on the investment management fees charged for the options is reflected in the Target Date Funds and Core Investment Options matrices.

☛ *'Target Date Funds,'* ***page 10***; *'Core Investment Options matrix by asset class,'* ***page 16***

Mutual Fund Window expense ratios

Mutual Fund Window fees and expenses are generally expressed as a percentage of fund assets paid annually — this is known as an expense ratio. For example, a $1,000 average balance in an investment option with an expense ratio of 0.10% pays an investment management fee of $1 annually. Generally, the expense ratios for stock mutual funds are higher than for bond funds. International funds are usually more expensive than domestic funds.

Mutual Fund expense ratios include expenses for such things as investment management, custody, legal, accounting, transfer agent services, sub-transfer agent services, 12b-1 fees and other administrative fees in connection with running the mutual fund. 12b-1 fees are ongoing fees paid out of the fund to pay for such things as commissions to brokers and other salespersons, advertising and other costs to promote the fund or recordkeeping expenses to service providers (such as Fidelity). For a detailed breakdown of the components of a mutual fund's expense ratio, see the fund's prospectus.

Although some mutual funds charge sales load fees, as a BP plan participant, you do not currently pay any sales charges for investment options in the Mutual Fund Window.

The actual expense ratios charged by the options are reflected in the Mutual Fund Window matrices.

☛ *'Mutual Fund Window matrix by asset class and style,'* ***page 38***

Participant level fees

These types of fees are charged directly to a participant's account as a result of an action taken by the participant. Currently, there is a $35 loan set-up fee. In addition, as mentioned on page 68, certain of the investment options may impose a short-term trading fee for investments held for a shorter than specified period of time. If these fees apply, they are charged directly to the participant's account.

Pricing of investment options

The Target Date Funds and Core Investment Options express ownership and price in terms of units. A unit represents a portion of the total value of a commingled pool. Mutual funds express ownership and price in terms of shares. The price of units or shares of an investment option is sometimes referred to as the 'Net Asset Value' (NAV) and is calculated for each business day by the investment manager based on the value of its holdings, less applicable expenses and fees, plus any applicable credits.

As one of the Core Investment Options, the BP Stock Fund expresses ownership and price in terms of units, not in terms of BP p.l.c. ADSs. By including a cash component in the BP Stock Fund (generally less than 5%), transactions usually can be completed each business day, without the typical three-day security settlement period. Transaction prices are based on the closing NAV for the BP Stock Fund on the day the transaction is completed.

Participant transaction requests (e.g., exchanges) in the investment options are generally effective and priced on the same business day the request is made, so long as the request is received before the market close. There are limited circumstances under which such requests may be made effective on a later day. Daily transactions and pricing are possible because, in general, all the investment options contain a minimum level of short-term assets that provide this daily liquidity.

☛ *'BP Stock Fund',* ***pages 35 – 36****;*
'Restrictions and limitations,' ***page 67***

More about the Target Date Funds and Core Investment Options

Each manager of the Target Date Funds and Core Investment Options provided the information included in this Guide with respect to the option(s) it manages. This Guide, the Updates and the QIPS are the only information resources automatically provided to plan participants; however, additional information may be available upon request with respect to a particular investment option. Any requests for additional information about the investment options should be directed to BP Retirement Services at Fidelity.

☛ *'BP Retirement Services at Fidelity,'* ***page 3****;*
'Appendix 1,' ***page 77***

BP Retirement Services at Fidelity

Call BP Retirement Services at Fidelity at 1-877-272-3334 on any business day (excluding New York Stock Exchange holidays) between 8:30 a.m. and midnight Eastern time to speak to a representative.

For each Target Date Fund and Core Investment Option, the applicable plan sponsor or fiduciary:

- Designs the option's investment objective (if applicable), including designating the benchmark return targets, risk parameters and investment restrictions.
- Evaluates and then selects the option's investment manager, enters into an investment manager agreement, and gives the investment manager discretion to manage the option within the defined scope of authority.
- Periodically reviews the investment manager to evaluate whether the manager should be retained.
- Periodically reviews the option's design to determine whether any changes should be made.

Each Target Date Fund and Core Investment Option is:

- Available only to institutional investors (such as pension funds) and not to the general public.
- Invested in a commingled pool (or multiple pools), which is an investment vehicle that combines the money of many different investors to gain economies of scale.
- Not a mutual fund and, therefore, is not registered with the Securities and Exchange Commission. Consequently, a separate prospectus is not available.

More about commingled index funds

The Target Date Funds and most of the Core Investment Options are index funds or comprised of index funds, which means they attempt to track the performance of various market indices (for example, the S&P 500). An index is not a security that can be invested in directly; therefore, investment managers invest in securities in an attempt to match the performance of a particular market index. There is no assurance that these investment options will meet their objectives. Many factors can impact the performance of these funds causing differences relative to the index. The following list includes some possible sources of such differences (some of which could also affect the performance of non-index funds):

- **Trading activity in the investment option or the underlying fund**

  With all your investment options you generally have the ability to make exchanges, withdrawals and other requests on a daily basis. Overall net participant trading in an investment option that is significant, relative to the size of the fund, can impact the returns of that fund. The investment manager is forced to go out to the market to buy or sell securities, incurring transaction costs and exposing the fund to price movements in the underlying securities. For example, in general, participants receive the closing price on the day a trade is posted but the investment manager cannot always buy or sell sufficient securities to satisfy that day's activity until the next business day. The fund may be impacted to the extent there is a change in the market price of the underlying securities on the actual trade day. All participants in the fund, not just those trading, will share in the impact of these changes, whether they are positive or negative.

- **Methods employed by the investment manager in attempting to match the performance of the index**

  Professional investment managers have various methods of attempting to track the return of a particular market index. In the description of each investment option that is an index fund, see the 'Other Information' section for additional information on the general method(s) employed. Please note, however, that these investment methods are subject to change. In general, the investment manager can attempt to replicate the index, by holding the same securities that are in the index, or can use other strategies to try to match the performance.

Replication

A replication strategy involves investing in all, or most, of the securities in the index, in their index weights. The replicated portfolio is an exact, or near-exact, mirror of the assets and activity of the index. Therefore, as security prices change, rebalancing to correct for changes in relative weighting of the securities tracked by the index is automatic. The only trading generally necessary is to reinvest dividends and other cash proceeds, and to adjust for changes made to the composition of the index.

Other index tracking methods

Sampling is a strategy which involves holding securities, in relative weights that, when taken as a whole, creates a portfolio that matches some of the major characteristics of the benchmark index while allowing for differences in the underlying assets. Characteristics to be matched are determined by the investment manager, and may include measures such as price-to-book ratios, price-to-earnings ratios, duration, credit quality, etc. This strategy is used primarily when replication is not practical, due to the presence of illiquid or unavailable securities, or where trading costs are high. Because this type of strategy involves holding only a subset of the index, there could be increased exposure to individual securities, relative to their weighting in the index. Instead of, or perhaps in addition to, sampling, the investment manager may employ various tools to try to match certain risk measures of the index while incorporating various considerations or constraints in the portfolio, without necessarily holding all, or being limited only to, securities that make up the index. The investment manager may attempt to match variables that affect asset returns, such as yield, size or industry exposure. This is often referred to as risk-modeling or optimization.

BPGOM ERISA 0002997

- **Changes in the composition of the index**

  When the underlying components of an index are changed, as occurs periodically, investment managers often must make similar changes in their portfolio. As there are large amounts of assets invested in index funds, it is possible that not all funds will experience the same price effects as is calculated in the index. The investment manager will attempt to match this as closely as possible.
  ☛ *'Description of indices,'* ***page 79***

- **Fees**

  Keep in mind that fees and expenses can create a variance between the performance of an index fund and the performance of a benchmark index because, unlike the index fund, the benchmark index is calculated without regard to any fees or expenses.

- **Securities lending**

  Some of the investment options offered in the plans may engage in securities lending. Securities lending involves the temporary loan of securities to approved counterparties or borrowers in exchange for eligible collateral (cash or securities). When a security is on loan, the investment option continues to retain all economic ownership rights except the right to vote proxies. Any income, net of fees, derived from securities lending is shared between the lending agent and the investment option. There are three primary risks associated with securities lending, which could impact the return of the investment option:

  - **Operational risk** — the risk that the lending agent does not administer the program as agreed.
  - **Borrower/counterparty default risk** — the risk that the borrower fails to return the securities due to insolvency or other reasons.
  - **Collateral reinvestment risk** — the risk of investment loss from the reinvestment of the cash collateral.

Documents filed with the Securities and Exchange Commission

The following documents filed by BP p.l.c. with the Securities and Exchange Commission (SEC) are incorporated into the plan prospectus by reference:

- BP Annual Report on Form 20-F for the year ended December 31, 2007.
- BP Reports on Form 6-K (SEC file number 001-6262) dated April 24, 2008 and August 1, 2008.
- BP Report on Form 6-K (SEC file number 001-6262) dated August 6, 2001, which contains a description of the ordinary shares of BP p.l.c.
- In addition, we incorporate by reference any future filings made with the SEC under Sections 13(a), 13(c), 14 or 15(d) of the Securities Exchange Act of 1934 after the date of this offering memorandum that indicate on the cover pages that they are incorporated by reference and until this offering is completed.

How to review SEC filings

Copies of the DirectSave Plan, BP Employee Savings Plan, BP Partnership Savings Plan, BP Capital Accumulation Plan and Deferred Compensation Plan II texts and trust agreements have been filed as exhibits to registration statements that BP p.l.c. and the DirectSave Plan have filed with the Securities and Exchange Commission (SEC) for BP ordinary shares and interests in the respective plans. These plan texts and trust agreements are incorporated into the plan prospectus. This plan prospectus is subject to these documents and is qualified entirely by such reference.

The reports and other information BP p.l.c. is required to file with the SEC are available for you to review. You may obtain copies of these reports — for a nominal charge — from the following SEC office:

Securities and Exchange Commission
Judicial Plaza
100 F Street, NE
Washington, DC 20549

This material may also be accessed electronically through the SEC's website at http://www.sec.gov.

Additional information about securities

BP American Depositary Shares (ADSs) are listed on the New York and Toronto Stock Exchanges. You may review reports and other information concerning BP p.l.c. on these stock exchanges.

Additional information about the securities covered by the plan prospectus and the plan's provisions may be provided to you in the future as additions to the plan prospectus or in other written communications, if any.

BP p.l.c. will provide — upon oral or written request, for a nominal fee — copies of the following documents incorporated in the plan prospectus by reference:

- The latest annual review of BP p.l.c.
- The latest annual report of the plans.
- All other reports filed pursuant to Section 13(a) or 15(d) of the Securities Act since the end of the fiscal year covered by the latest annual report of BP p.l.c.
- The latest description of the securities of BP p.l.c.
- The plan texts, trust agreements and other documents required to be delivered to employees pursuant to SEC Rule 428(b).

You may direct any oral or written requests for copies of these documents or for additional information about the plan and its administration to:

BP p.l.c.
c/o BP Corporation North America Inc.
Corporate Secretary
4101 Winfield Road
Warrenville, IL 60555
(630) 821-2222

Important legal information

The securities offered through the BP Employee Savings Plan, BP Partnership Savings Plan, the BP DirectSave Plan, the BP Capital Accumulation Plan, the BP Deferred Compensation Plan and the BP Deferred Compensation Plan II have not been approved or disapproved by the Securities and Exchange Commission nor has any state securities commission passed upon the accuracy or adequacy of any plan prospectus. Any representation to the contrary is a criminal offense.

No person is authorized to give any information or to make any representations not contained in this plan prospectus. Any information, data or representation not contained in this plan prospectus must not be relied upon as having been authorized.

This Guide is presented as a matter of information and as an expression of management policy. It is not intended to constitute a promise or contractual commitment by the company. BP reserves the right to unilaterally amend or terminate each of the plans at any time and without prior notice. Also, modifications may be necessary to comply with applicable legal requirements. In the event of any inconsistency between a statement contained in the Investment Options Guide and the relevant plan document, the terms of the plan document will control. In the event of any inconsistency between the Investment Options Guide and any publication other than a plan document, including without limitation the Fidelity NetBenefits website, the terms of the Investment Options Guide will control.

You have online access to plan information and interactive planning tools through NetBenefits at www.netbenefits.fidelity.com. NetBenefits is a web-based product owned and managed by Fidelity. BP does not approve, certify, or control NetBenefits and does not guarantee the accuracy, completeness, or timeliness of information located at NetBenefits. BP is not responsible for, and expressly disclaims all liability for, damages of any kind arising out of use, reference to, or reliance on such information.

The financial information contained herein about the Target Date Funds and Core Investment Options has been provided by BP, Barclays Global Investors, Dwight Asset Management Company LLC, Northern Trust Investments, Inc. and State Street Global Advisors. Fidelity Investments retrieved Morningstar data for the financial data reflected in the mutual fund matrices.

You may obtain more complete information about any of the mutual funds available through the Mutual Fund Window by requesting free prospectuses from BP Retirement Services at Fidelity. Read them carefully before you invest as they contain important information, including fees and expenses.

Appendix 1

About the Target Date Funds and Core Investment Options managers

The Investment Managers of the Target Date Funds and Core Investment Options provided the descriptions of themselves that follow in alphabetical order.

Barclays Global Investors (BGI)

Options managed:

- Equity Index Fund – Growth.
- Equity Index Fund – Value.
- Small-Cap Equity Index Fund – Growth.
- Small-Cap Equity Index Fund – Value.
- Target Date Funds.

Barclays Global Investors (BGI) is one of the world's largest asset managers with more than $2 trillion managed in various active, allocation and index strategies for over 2,985 clients in 54 countries.[1]

BGI is considered one of the world's largest risk-controlled active equity managers with over $122 billion in assets in the U.S.[2] The firm also manages assets for 61% of the world's top 100 pension plans.[3] Clients include government and corporate pension funds, defined contribution plans, foundations and endowments, mutual funds distributors and central banks. BGI manages over $538 billion in U.S. equity index strategies.[2]

BGI has been at the forefront of developing innovative investment ideas. Rooted in a sound investment philosophy that applies science and technology to the investment process, BGI focuses on the three dimensions of performance: return, risk and cost — offering clients total performance management.

BGI created the first index fund in 1971 and the first target-date fund — LifePath — in 1993. The firm introduced risk-controlled active investing to the marketplace in 1979, and in 2000 launched the first-ever fixed income exchange traded fund (ETF). BGI currently manages more than 300 different ETFs under the brand name iShares.

[1] As of December 31, 2007.
[2] As of March 31, 2008.
[3] As of September 2007.

Dwight Asset Management Company LLC (Dwight)

Option managed:

- Income Fund.

Dwight Asset Management Company LLC is a registered investment advisor specializing in fixed income and stable value investment strategies. Dwight manages assets for insurance companies and institutional defined contribution, deferred compensation and defined benefits plans on behalf of corporations, financial institutions, governments, and Taft-Hartley plans, representing over $72 billion in assets under management and advisement.[1]

Dwight is an independently operated subsidiary of Old Mutual plc, a global financial services firm with operations in asset management, banking and insurance. The firm has over 109 employees, including 54 investment professionals, and is headquartered in Burlington, VT.

Dwight's primary investment objectives for its clients are capital preservation and competitive return. Dwight believes this is best achieved through rigorous risk management, diligent credit research, an emphasis on security selection, experienced trading and a high level of client interaction. Secondary objectives include competitive yield, investment diversification and real return over a market cycle.

[1] Includes assets also included in the fixed income total managed for stable value clients.

Dwight uses a disciplined team approach to manage stable value and fixed income portfolios. Sector specialists, working closely with research professionals, have the primary responsibility for security selection. Dwight employs processes that are unique to each sector, including:

- Establishing initial security universes.
- Screening to a working universe.
- Analyzing issues and issuers.
- Determining which securities meet our investment objectives.

Research specialists develop and maintain formal and informal reports pertaining to buy, sell and hold recommendations as well as help identify bonds offering greater risk or opportunity.

Northern Trust Investments, Inc. (NTI)

Options managed:

- Bond Index Fund.
- Bond Index Fund – Short Duration.
- Equity Index Fund.
- Small-Cap Equity Index Fund.

About Northern Trust Corporation

Northern Trust Corporation (Nasdaq: NTRS) is a leading provider of global financial solutions for the investment management, asset administration, fiduciary and banking needs of affluent individuals and corporations and institutions. Northern Trust, a multibank holding company based in Chicago, has a growing network of offices in 18 states, international offices in 12 countries and more than 9,100 employees worldwide. As of March 31, 2008, Northern Trust had trust assets under administration of $4 trillion and assets under investment management of $779 billion. Northern Trust, founded in 1889, has earned distinction as an industry leader in combining high-touch service and expertise with innovative products and services. For more information, visit www.northerntrust.com.

About Northern Trust Global Investments

Northern Trust Global Investments is a global, multi-asset class investment manager serving institutional and personal clients worldwide. Offering a full array of active, passive and enhanced products, as well as manager-of-manager programs for alternative investments and other specialty programs, Northern Trust Global Investments is one of the nation's largest and fastest growing investment managers. Northern Trust Global Investments brings together the resources of The Northern Trust Company, Northern Trust Investments, Inc., Northern Trust Global Investments (Europe), Ltd., and Northern Trust Global Advisors, Inc. and its subsidiaries.

State Street Global Advisors (SSgA)

Options managed:

- Short-Term Investments Fund.
- Bond Index Fund – Long Duration.
- Mid-Cap Equity Index Fund.
- International Equity Index Fund.
- International Equity Index Fund – Europe.
- International Equity Index Fund – Pacific.
- BP Stock Fund.

State Street Global Advisors (SSgA) is a leading manager of retirement assets with $2 trillion in assets under management as of December 31, 2007. SSgA is the investment management arm of State Street Bank and Trust Company, which provides financial services to institutional and individual investors worldwide. SSgA's investment expertise spans multiple strategies, disciplines and markets around the world. SSgA currently manages approximately $127 billion within its Global Asset Allocation team. SSgA's International Structured team manages approximately $268 billion in assets including the three International Equity Index Funds. Lastly, SSgA is a recognized leader in Company Stock Management, with $79 billion under management, including the BP Stock Fund.

Appendix 2

Description of indices

Dow Jones Wilshire 4500 Completion Index — an index that is comprised of the stocks of all small and medium U.S. companies with readily available price data that are not included in the S&P 500® Index.

FTSE EPRA/NAREIT Global Real Estate Index — a market capitalization net total-return index that offers investors exposure to a diverse set of real estate holdings across countries, property types and geographic markets and is designed to reflect the performance of listed real estate companies worldwide. The index consists of approximately 200 commercial equity companies that meet certain size and liquidity requirements. These companies generate earnings from rental income received on their physical holdings and from capital gains from the sale of properties.

Lehman Brothers Aggregate Bond Index — a market index comprising fixed-rate debt issues, including government, corporate, asset-backed and mortgage-backed securities. Issues included in the Lehman Brothers Aggregate Bond Index are rated investment-grade or above and have maturities of at least one year. Currently the Index comprises over 7,100 individual debt securities.

Lehman Brothers 1-3 Year Government Bond Index — an unmanaged index that is a broad measure of the performance of short-term government bonds. The index represents securities that are public issued debt of the U.S. Treasury, U.S. government agencies, and corporate or foreign debt guaranteed by the U.S. government. The index includes both callable and noncallable agency securities. Currently the index comprises over 400 individual debt securities.

Lehman Brothers Long Government/ Corporate Bond Index — an unmanaged index that is a broad measure of the performance of long-term government and corporate bonds. The index comprises U.S. government securities and investment-grade corporate bonds with maturities of 10 or more years.

Lehman Brothers U.S. Treasury Inflation Protection Securities ('TIPS') Index — which measures the performance of the inflation-protected public obligations of the U.S.Treasury. The Index includes all publicly issued U.S. Treasury inflation-protected securities that have at least one year remaining to maturity, are rated investment grade and have $250 million or more of outstanding face value. In addition, the securities must be denominated in U.S. dollars and must be fixed rate and non-convertible. As of May 31, 2007, this market capitalization weighted index held 22 issues.

MSCI ACWI (All Country World Index) ex U.S. IMI Index℠ — a free float-adjusted market capitalization index that is designed to measure equity market performance in the global developed and emerging markets excluding the United States. As of April 2008, the MSCI ACWI ex U.S. IMI Index consisted of the following 47 developed and emerging market country indices: Argentina, Australia, Austria, Belgium, Brazil, Canada, Chile, China, Colombia, Czech Republic, Denmark, Egypt, Finland, France, Germany, Greece, Hong Kong, Hungary, India, Indonesia, Ireland, Israel, Italy, Japan, Jordan, Korea, Malaysia, Mexico, Morocco, Netherlands, New Zealand, Norway, Pakistan, Peru, Philippines, Poland, Portugal, Russia, Singapore Free, South Africa, Spain, Sweden, Switzerland, Taiwan, Thailand, Turkey, and the United Kingdom.

MSCI EAFE Index — a broadly diversified index of stocks across major developed foreign markets. The index currently includes 21 countries, captures about 85% of the available market capitalization in each country and is designed to offer global investors access to some of the world's largest and most liquid equity securities outside the U.S. and Canada.

MSCI Europe Index — a broadly diversified index of over 500 stocks across developed markets located in Europe. The markets currently include Austria, Belgium, Denmark, Finland, France, Germany, Greece, Ireland, Italy, Netherlands, Norway, Portugal, Spain, Switzerland, Sweden and the United Kingdom. The index captures about 85% of the available market capitalization in each country.

MSCI Pacific Index — a broadly diversified index of over 400 stocks across developed markets located in Asia. The markets currently include Australia, Hong Kong, Japan, New Zealand and Singapore. The index captures about 85% of the available market capitalization in each country.

Russell 2000 Index — an index of the 2,000 smallest companies of the Russell 3000 Index, representing approximately 8% of the total market capitalization of the Russell 3000 Index. The Russell 3000 Index includes the 3,000 largest U.S. companies, based on market capitalization.

Russell 2000 Growth Index — a subset of the Russell 2000 Index, representing those companies with higher than average price-to-book ratios and higher forecasted earnings growth values.

Russell 2000 Value Index — a subset of the Russell 2000 Index, representing those companies with lower than average price-to-book ratios and lower forecasted earnings growth values.

S&P 500 — an unmanaged index of common stock prices (including the reinvestment of dividends) of U.S. domiciled companies. As representative of all major industries in the broad domestic economy, the S&P 500 is a market capitalization-weighted index.

S&P 500/Citigroup Growth Index — a subset of the S&P 500 Index that is created by combining stocks in the S&P 500 that have above-average 5-year earnings per share growth rates, 5-year sales per share growth rates and 5-year internal growth rates. In general, these stocks exhibit higher price-earnings ratios and lower dividend yields than the average stock in the S&P 500 Index. The index is composed of approximately 312 company stocks selected to represent the 'growth' segment of the S&P 500. The weighting scheme employed by S&P/Citigroup does allow for a partial overlap of names between the Growth and Value indices. The S&P 500 Index is divided into thirds, with one third of stocks unique to Growth and one third of stocks unique to Value. The remaining one third of stocks are individually divided across both Growth and Value. The market capitalization of a specific stock may therefore be divided into both Growth and Value according to its specific style exposure.

S&P 500/Citigroup Value Index — a subset of the S&P 500 Index that is created by combining stocks in the S&P 500 that have above average Book value to Price, Cash Flow to Price, Sales to Price ratios and Dividend Yield. In general, these stocks exhibit lower price-earnings ratios, lower historical earnings growth and higher dividend yields than the average for the S&P 500 Index. The S&P 500/Citigroup Value Index is composed of approximately 354 company stocks selected to represent the 'value' segment of the S&P 500. The weighting scheme employed by S&P/Citigroup does allow for a partial overlap of stocks between the Growth and Value indices. The S&P 500 Index is divided into thirds, with one third of stocks unique to Growth and one third of stocks unique to Value. The remaining one third of stocks are individually divided across both Growth and Value. The market capitalization of a specific stock may therefore be divided into both Growth and Value according to its specific style exposure.

S&P MidCap 400 Index — an unmanaged index of common stock prices (including the reinvestment of dividends) of U.S. domiciled companies selected by Standard & Poor's as representative of mid-size companies. These companies generally have a market capitalization between $1 billion and $4 billion (although S&P reviews this range from time to time).